

BANK INDONESIA REGULATION
NUMBER: 8/12/PBI/2006
CONCERNING
COMMERCIAL BANK PERIODIC REPORTS
GOVERNOR OF BANK INDONESIA

- Considering:
- a. whereas in order to formulate monetary policy, monitor financial system stability, and monitor banking condition more effectively, it is essential to have accurate, comprehensive and timely data and information concerning banks;
 - b. whereas the rapid development in the financial industry, particularly banking industry requires additional submitted information;
 - c. whereas based on the considerations referred to in letter a and letter b, it is considered necessary to adjust the report submission system and preparation procedure for several reports by commercial banks and to re-regulate provisions concerning commercial bank periodic reports in a Bank Indonesia Regulation;
- In view of:
- 1. Act Number 23 Year 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Year 1999 Number 66, Supplement to State Gazette of the Republic of Indonesia Number 3843) as amended by Act Number 3 Year 2004 (State Gazette of the Republic of Indonesia Year 2004 Number 7, Supplement to State Gazette of the Republic of Indonesia Number 4357);

2. Act Number 7 Year 1992 concerning Banking (State Gazette of the Republic of Indonesia Year 1992 Number 31, Supplement to State Gazette of the Republic of Indonesia Number 3472) as amended by Act Number 10 Year 1998 (State Gazette of the Republic of Indonesia Year 1998 Number 182, Supplement to State Gazette of Republic of Indonesia Number 3790);

HAS DECIDED:

To enact:

INDONESIA REGULATION CONCERNING COMMERCIAL BANK
PERIODIC REPORTS

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Bank Indonesia Regulation, the following terminologies shall have the following meanings:

1. Bank shall be Commercial Bank as referred to in Act Number 7 Year 1992 concerning Banking as amended by Act Number 10 Year 1998, including branch offices of foreign banks.
2. Branch office of a foreign bank shall be a branch office of a bank domiciled abroad or having a head office abroad, which, directly or indirectly, is responsible to the Bank's head office and has an address and domicile in Indonesia.

3. Syariah Business Unit, hereinafter referred to as UUS, shall be a work unit at the head office of a Bank which conducts conventional business activities and functions as a principal office of a syariah branch office and or a syariah unit, or a work unit at a branch office of a foreign bank which conducts conventional business activities which functions as a principal office of a syariah sub branch office and or a syariah unit.
4. Commercial Bank Monthly Report, hereinafter referred to as LBBU, shall be a report prepared and submitted by Banks periodically to Bank Indonesia.
5. On line Report Submission hereinafter referred to as on line shall be a method of report submission done by sending/transferring recorded data directly through a data communication network to Bank Indonesia.
6. Off line Report Submission hereinafter referred to as off line shall be a method of report submission done by submitting recorded data using a diskette or other electronic data recording media to Bank Indonesia.

Article 2

- (1) Bank and UUS must prepare and submit LBBU to Bank Indonesia in an accurate, complete, and timely manner.
- (2) Preparation and submission of LBBU as referred to in paragraph (1) shall be done by the Bank's head office and UUS.
- (3) Preparation of LBBU as referred to in paragraph (1) for a Bank which conducts conventional business activities shall cover data concerning :
 - a. third party funds ;
 - b. weekly balance sheet items;
 - c. third party funds owned by the government ;
 - d. maturity profile;
 - e. legal ...

- e. legal lending limit, which shall consist of :
 - 1. violation of legal lending limit ;
 - 2. excess in legal lending limit ; and
 - 3. fund provision;
 - f. loan restructuring ;
 - g. minimum capital requirement after calculating market risk ;
 - h. core depositors and debtors; and
 - i. sensitivity to market risk.
- (4) Preparation of LBBU as referred to in paragraph (1) for a Bank which conducts business activities under syariah principle shall cover data concerning:
- a. third party funds ;
 - b. weekly balance sheet items;
 - c. government owned third party funds;
 - d. maturity profile;
 - e. legal lending limit , which shall consist of:
 - 1. violation of legal lending limit ;
 - 2. excess of legal lending limit ; and
 - 3. provision of fund;
 - f. mudharabah investment time deposit;
 - g. financing restructuring;
 - h. core depositors and debtors; and
 - i. sensitivity to market risk – exchange rates.
- (5) Preparation of LBBU as referred to in paragraph (1) for an UUS shall cover data concerning:
- a. third party funds ;
 - b. weekly balance sheet items;
 - c. government owned third party funds;

- d. maturity profile;
- e. mudharabah investment time deposit;
- f. core depositors and debtors.

Article 3

- (1) Bank and UUS shall be responsible for the accuracy of data, completeness of content, and timeliness of submission of LBBU as referred to in Article 2.
- (2) Bank and UUS must appoint an officer and person in charge to prepare and submit LBBU to Bank Indonesia.
- (3) Bank and UUS must submit a list of parties appointed as officer and person in charge of LBBU as referred to in paragraph (2) to Bank Indonesia no later than 30 (thirty) days after the issuance of this Bank Indonesia Regulation.
- (4) Appointment of person in charge as referred to in paragraph (2) shall not decrease or delete the liability of the concerned Bank's management for data accuracy.
- (5) In the event of a replacement of parties appointed as officer and person in charge as referred to in paragraph (3), the concerned Bank and UUS must submit a replacement plan.
- (6) Replacement plan as referred to in paragraph (5) shall be received by Bank Indonesia no later than 7 (seven) working days prior to the replacement.

Article 4

- (1) In preparing LBBU as referred to in Article 2, Bank and UUS must refer to LBBU Preparation Guidelines stipulated by Bank Indonesia.

(2) LBBU ...

- (2) LBBU Preparation Guidelines as referred to in paragraph (1) shall be stipulated further in a Bank Indonesia Circular Letter.

CHAPTER II

LBBU DATA PERIODS AND POSITIONS

Article 5

LBBU data namely third party funds, weekly balance sheet items, and government owned third party funds as referred to in Article 2 paragraph (3) letter a, letter b, and letter c, paragraph (4) letter a, letter b, and letter c, as well as paragraph (5) letter a, letter b, and letter c, shall be prepared for 4 (four) data reporting periods each month, namely:

- a. First week data reporting period, which shall include data from day 1 up to day 7 of the concerned month;
- b. Second week data reporting period, which shall include data from day 8 up to day 15 of the concerned month;
- c. Third week data reporting period, which shall include data from day 16 up to day 23 of the concerned month;
- d. Fourth week data reporting period, which shall include data from day 24 up to the last day of the concerned month.

Article 6

- (1) LBBU data namely maturity profile, legal lending limit, loan restructuring, and minimum capital requirement after calculating market risk, as well as core depositors and debtors as referred to in Article 2 paragraph (3) letter d, letter e, letter f, letter g, and letter h shall be prepared for end of month position each month.

(2) LBBU ...

- (2) LBBU data namely maturity profile, legal lending limit, mudharabah investment time deposit, financing restructuring, as well as core depositors and debtors as referred to in Article 2 paragraph (4) letter d, letter e, letter f, letter g, and letter h shall be prepared for end of month position each month.
- (3) LBBU data namely maturity profile, mudharabah investment time deposit, and financing restructuring, as well as core depositors and debtors as referred to in Article 2 paragraph (5) letter d, letter e, letter f, and letter g shall be prepared for end of month position each month.

Article 7

LBBU data namely sensitivity to market risk as referred to in Article 2 paragraph (3) letter i and paragraph (4) letter i shall be prepared for end of month position at the end of every quarter.

CHAPTER III

LBBU SUBMISSION AND CORRECTION

Article 8

Every month, each Bank and UUS must submit LBBU in the following reporting periods :

- a. submission period I, from day 1 to day 6;
- b. submission period II, from day 8 to day 13;
- c. submission period III, from day 16 to day 21;
- d. submission period IV, from day 24 to day 29.

Article 9

LBBU data that must be submitted for each submission period as referred to in Article 8 for banks which conduct business activities under conventional principle are as follows:

- a. submission period I, shall include:
 - 1. third party funds for the fourth week reporting period of the preceding month;
 - 2. weekly balance sheet items for the fourth week reporting period of the preceding month;
 - 3. government owned third party funds for the fourth week reporting period of the preceding month; and
 - 4. maturity profile for end of month position of the preceding month.
- b. submission period II, shall include:
 - 1. third party funds for the first week reporting period of the concerned month;
 - 2. weekly balance sheet items for the first week reporting period of the concerned month;
 - 3. government owned third party funds for the first week reporting period of the concerned month;
 - 4. loan restructuring for end of month position of the preceding month; and
 - 5. core depositors and debtors for end of month position of the preceding month.
- c. submission period III, shall include:
 - 1. third party funds for the second week reporting period of the concerned month;

2. weekly ...

2. weekly balance sheet items for the second week reporting period of the concerned month;
 3. government owned third party funds for the second week reporting period of the concerned month;
 4. legal lending limit for end of month position of the preceding month;
 5. minimum capital requirement after calculating market risk for end of month position of the preceding month; and
 6. sensitivity to market risk for end of month position at the end of every quarter.
- d. submission period IV, shall include:
1. third party funds for the third week reporting period of the concerned month;
 2. weekly balance sheet items for the third week reporting period of the concerned month; and
 3. government owned third party funds for the third week reporting period of the concerned month.

Article 10

LBBU data that must be submitted for each submission period as referred to in Article 8 for banks which conduct business activities under syariah principles are as follows:

- a. submission period I, shall include:
1. third party funds for the fourth week reporting period of the preceding month;
 2. weekly balance sheet items for the fourth week reporting period of the preceding month;

3. government owned third party funds for the fourth week reporting period of the preceding month;
 4. maturity profile for end of month position of the preceding month; and
 5. mudharabah investment time deposit for end of month position of the preceding month.
- b. submission period II, shall include:
1. third party funds for the first week reporting period of the concerned month;
 2. weekly balance sheet items for the first week reporting period of the concerned month;
 3. government owned third party funds the first week reporting period of the concerned month;
 4. financing restructuring for end of month position of the preceding month; and
 5. core depositors and debtors for end of month position of the preceding month.
- c. submission period III, shall include:
1. third party funds for the second week reporting period of the concerned month;
 2. weekly balance posts for the second week reporting period of the concerned month;
 3. government owned third party funds for the second week reporting period of the concerned month;
 4. legal lending limit for end of month position of the preceding month; and
 5. sensitivity to market risk for end of month position at the end of every quarter.

d. submission ...

- d. submission period IV, shall include:
 - 1. third party funds for the third week reporting period of the concerned month;
 - 2. weekly balance posts for the third week reporting period of the concerned month; and
 - 3. government owned third party funds for the third week reporting period of the concerned month.

Article 11

LBBU data that must be submitted for each submission period as referred to in Article 8 for UUS are as follows:

- a. submission period I, shall include:
 - 1. third party funds for the fourth week reporting period of the preceding month;
 - 2. weekly balance sheet items for the fourth week reporting period of the preceding month;
 - 3. government owned third party funds for the fourth week reporting period of the preceding month;
 - 4. maturity profile for end of month position of the preceding month; and
 - 5. mudharabah investment time deposit for end of month position of the preceding month.
- b. submission period II, shall include:
 - 1. third party funds for the first week reporting period of the concerned month;
 - 2. weekly balance sheet items for the first week reporting period of the concerned month;

3. government owned third party funds for the first week reporting period of the concerned month;
 4. financing restructuring for end of month position of the preceding month; and
 5. core depositors and debtors for end of month position of the preceding month.
- c. submission period III, shall include:
1. third party funds for the second week reporting period of the concerned month;
 2. weekly balance sheet items for the second week reporting period of the concerned month; and
 3. government owned third party funds for the second week reporting period of the concerned month.
- d. submission period IV, shall include:
1. third party funds for the third week reporting period of the concerned month;
 2. weekly balance sheet items for the third week reporting period of the concerned month; and
 3. government owned third party funds for the third week reporting period of the concerned month.

Article 12

In the event of a mistake in LBBU data already submitted to Bank Indonesia, the concerned Bank and UUS must correct the mistake and submit the correction to Bank Indonesia in the same LBBU submission period as referred to in Article 8, Article 9, Article 10, and Article 11.

Article 13

In the event that the due date of LBBU submission as referred to in Article 8 and or LBBU correction as referred to in Article 12 falls on a Saturday, Sunday and or public holiday, the concerned LBBU and or the LBBU correction must be submitted on the previous working day.

CHAPTER IV

OVERDUE OR NON SUBMISSION OF LBBU

Article 14

- (1) Bank and UUS shall be declared overdue in submitting LBBU for one submission period if the concerned LBBU is received by Bank Indonesia after the end of submission period referred to in Article 8 up to 14 (fourteen) days after the concerned submission period expires.
- (2) Bank and UUS shall be declared overdue in submitting LBBU corrections for one submission period if the concerned LBBU is received by Bank Indonesia after the end of submission period referred to in Article 8 up to 14 (fourteen) days after the concerned submission period expires.

Article 15

- (1) Bank and UUS shall be declared as not submitting LBBU and or LBBU corrections for one submission period if LBBU and or LBBU corrections had not been received by Bank Indonesia by the end of the deadline of overdue submission as referred to in Article 14.
- (2) Bank and UUS which had been declared as not submitting LBBU and or LBBU corrections as referred to in paragraph (1) must still submit the LBBU and or LBBU corrections to Bank Indonesia.

CHAPTER V
LBBU SUBMISSION METHOD
Article 16

- (1) Bank and UUS must submit LBBU and or LBBU corrections on line to Bank Indonesia during the submission period as referred to in Article 8 and Article 12.
- (2) The obligation to submit on line as referred to in paragraph (1) shall be exempted for :
 - a. Banks and UUS which are domiciled in an area where the communication facility is not yet available to allow on line submission of LBBU and or LBBU corrections;
 - b. Newly opened Banks and UUS with a time limit of no later than 2 (two) months after commencing operational activities;
 - c. Banks and UUS which experience a technical disturbance in submitting LBBU and or LBBU corrections on line.
- (3) Banks and UUS which are exempted from online LBBU and or LBBU correction submission as referred to in paragraph (2) letter c must submit a written notification signed by one of the Bank's director or by the head of Foreign Bank Branch Office or by the head of UUS when they submit the LBBU to Bank Indonesia.
- (4) Bank and UUS which are exempted from online LBBU and or LBBU correction submission due to matters referred to in paragraph (2), must submit LBBU and or LBBU corrections off line during the same submission period together with the hardcopy.

Article 17

Bank and UUS which are declared overdue or not submitting LBBU and or LBBU corrections as referred to in Article 14 and Article 15 must submit the LBBU and or LBBU corrections off line together with the hardcopy.

Article 18

- (1) Online LBBU and LBBU corrections shall be submitted to Bank Indonesia Head Office.
- (2) Offline LBBU and LBBU corrections together with the written notification shall be submitted to Bank Indonesia at:
 - a. Directorate of Economic and Monetary Statistics, Jl. M.H.Thamrin No. 2, Jakarta 10110, for Bank and UUS whose head offices are domiciled in the working area of Bank Indonesia Head Office; or
 - b. Local Bank Indonesia Office, for Bank and UUS whose head offices are domiciled outside the working area of Bank Indonesia Head Office.

CHAPTER VI

MISCELLANEOUS

Article 19

- (1) Bank and UUS experiencing a *force majeure* are exempted from the obligation to submit LBBU and or LBBU corrections as referred to in Article 8, Article 9, Article 10, and Article 11.
- (2) Bank and UUS experiencing a *force majeure* must notify Bank Indonesia in writing to obtain the exemption from submitting LBBU and or LBBU corrections as referred to in paragraph (1).

(3) The notification ...

- (3) The notification as referred to in paragraph (2) must be signed by one of the Bank's director or by the head of a Foreign Bank Branch Office or by the head of UUS together with:
 - a. an explanation regarding the cause of *force majeure*; and
 - b. time needed to overcome the concerned force majeure.
- (4) Exemption as referred to in paragraph (1) shall only be granted until the *force majeure* had been overcome.
- (5) The obligation to submit LBBU and or LBBU correction as stipulated in this Bank Indonesia Regulation shall start to take effect for LBBU that must be submitted in submission period IV in July 2006.

CHAPTER VII

SANCTIONS

Article 20

- (1) Bank and UUS which are declared overdue in submitting LBBU as referred to in Article 14 paragraph (1) shall be liable to a financial sanction of Rp1,000,000.00 (one million rupiah) for each day of the delay.
- (2) Bank and UUS which are declared not submitting LBBU as referred to in Article 15 paragraph (1) shall be liable to a financial sanction of Rp50,000,000.00 (fifty million rupiahs).
- (3) In the event that the Bank is under financial sanction for not submitting LBBU, the sanction for being overdue in submitting LBBU shall not be applied.
- (4) Bank and UUS which are declared overdue in submitting LBBU correction as referred to in Article 14 paragraph (2) shall be liable to a financial sanction of Rp50,000.00 (fifty thousands rupiahs) for each corrected item

with a ...

with a maximum amount of Rp 20,000,000.00 (twenty millions rupiahs) for each report.

- (5) Bank and UUS which are declared not submitting LBBU correction as referred to in Article 15 paragraph (1) shall be liable to a financial sanction of Rp100,000.00 (one hundred thousand rupiahs) for each corrected item with a maximum amount of Rp3,000,000.00 (three million rupiahs) for each report.
- (6) Bank and UUS which submit LBBU correction based on Bank Indonesia's and or a public accountant's finding shall be liable to a financial sanction of Rp100,000.00 (one hundred thousand rupiahs) for each corrected item with a maximum amount Rp5,000,000.00 (five million rupiahs) for each report.

Article 21

Bank and UUS which submit LBBU and or LBBU correction offline but not caused by matters referred to in Article 16 paragraph (2) shall be liable to a financial sanction of Rp250,000.00 (two hundred and fifty thousand rupiahs) for each LBBU or LBBU correction submission.

Article 22

Bank and UUS which fail to submit LBBU or LBBU corrections based on Bank Indonesia's and or a public accountant's finding, after 2 (two) written warnings shall be liable to a financial sanction of Rp100,000,000.00 (one hundred million rupiahs).

Article 23

- (1) The application of financial sanction as referred to in Article 20, Article 21, and Article 22 shall be performed by Bank Indonesia by debiting the rupiah current account of the Bank and UUS at Bank Indonesia.
- (2) In the event of inadequate balance in the account of the Bank and UUS at Bank Indonesia, the financial sanction shall be completed by the Bank by depositing cash to the Bank's account at Bank Indonesia.

Article 24

Sanctions as referred to in Article 20 paragraph (4) and paragraph (5) shall be exempted for submissions of LBBU correction due to a *force majeure* experienced by one or more of the Bank's branch offices which prevented it from submitting LBBU data to the Bank's head office or in the event that the concerned Bank resubmits LBBU correction upon Bank Indonesia's request.

Article 25

Violations to the provisions in Article 2 paragraph (1), Article 3 paragraph (2), paragraph (3), paragraph (5), Article 4 paragraph (1), Article 8, Article 9, Article 10, Article 11, Article 12, Article 15 paragraph (2), Article 16 paragraph (1), paragraph (3), paragraph (4), and Article 19 paragraph (2) shall be liable to administrative sanctions such as:

- a. written warning;
- b. inclusion of management members, employees, and shareholders of the Bank in the list of people prohibited from being shareholders and or management of a Bank;

c. freezing ...

- c. freezing of certain business activities, such as prohibition from fund disbursement expansion;
- d. termination of Bank management and subsequently appointment and assignment of temporary replacements; and or
- e. prohibition from participating in clearing activities.

CHAPTER VIII TRANSITIONAL PROVISIONS

Article 26

Banks are still obliged to submit LBBU as stipulated in Bank Indonesia Regulation Number 7/27/PBI/2005 dated August 26, 2005 concerning Amendment to Bank Indonesia Regulation Number 3/17/PBI/2001 concerning Commercial Bank Periodic Reports and Bank Indonesia Regulation Number 3/17/PBI/2001 dated October 4, 2001 concerning Commercial Bank Periodic Reports until submission period IV in August 2006.

CHAPTER IX CLOSING PROVISIONS

Article 27

Financial sanctions as stipulated in this Bank Indonesia Regulation shall begin to take effect for the LBBU submission period I in September 2006.

Article 28

- (1) With the enactment of this Bank Indonesia Regulation, the procedure of preparation, submission and sanction for the report as referred to in:

a. Article 2 ...

- a. Article 2, Article 3 paragraph (2), Article 6 paragraph (1) particularly for the Liquidity Monitoring Report in Article 2, paragraph (2), paragraph (3) and paragraph (4), Article 7 particularly concerning the submission address of the Liquidity Monitoring Report in Article 2, Article 9 letter a and b, and Article 10 particularly those concerning Article 2 and Article 9 letter a and b, Decree of Bank Indonesia Board of Directors Number 31/179/KEP/DIR dated December 31, 1998 concerning Commercial Bank Liquidity Monitoring particularly concerning Maturity Profile;
 - b. Article 66 and Article 67 of Bank Indonesia Regulation Number 7/2/PBI/2005 dated January 20, 2005 concerning Commercial Bank Asset Quality Evaluation; and
 - c. CHAPTER VII number 1 and number 2 of Bank Indonesia Circular Letter Number 7/3/DPNP dated January 31, 2005 concerning Commercial Bank Asset Quality Evaluation;
- shall be adjusted to this Bank Indonesia Regulation.
- (2) With the enactment of this Bank Indonesia Regulation, Bank Indonesia Regulation Number 3/17/PBI/2001 dated October 4, 2001 concerning Commercial Bank Periodic Reports as amended by PBI 7/27/PBI/2005 dated August 24, 2005 is hereby revoked and declared no longer valid starting from submission period I in September 2006.

- 21 -

Article 29

This Bank Indonesia Regulation shall come into force on the day of its enactment.

Enacted in : Jakarta

On : July 10, 2006

GOVERNOR OF BANK
INDONESIA

BURHANUDDIN ABDULLAH

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2006

NUMBER 57

DPNP/DPbS/DSM

ELUCIDATION
TO
BANK INDONESIA REGULATION
NUMBER: 8/12/PBI/2006
CONCERNING
COMMERCIAL BANK MONTHLY REPORT

GENERAL

In order to realize its objective to achieve and maintain the stability of rupiah value, Bank Indonesia formulates monetary policy. The formulation of monetary policy would run effectively if supported by a more effective monitoring of the financial system stability and the condition of banks. To this end, accurate, complete, and timely data and information concerning banks are essential.

Other than the aforementioned, the rapid development in the financial industry requires more information to be submitted. With the submission of such additional information and in order to support Bank Indonesia in obtaining accurate, complete, and timely information, it is considered necessary to make adjustments in the submission system and the formulation procedure of several existing reports of commercial banks and to re-regulate provisions concerning periodic reports of commercial banks in a Bank Indonesia Regulation.

ARTICLE BY ARTICLE

Article 1

Self explanatory.

Article 2 ...

Article 2

Paragraph (1)

Self explanatory.

Paragraph (2)

LBBU formulation and submission by a Foreign Bank Branch Office shall be done by the concerned Foreign Bank Branch Office.

Paragraph (3)

Letter a

The meaning of “third party funds” shall be Third Party Funds in rupiah and foreign currencies as referred to in prevailing Bank Indonesia regulation concerning commercial bank minimum reserve requirement at Bank Indonesia in rupiah and foreign currencies.

Letter b

The meaning of “weekly balance sheet items” shall be the balance sheet prepared weekly which contains certain items in the balance sheet. The coverage of certain items of the weekly balance sheet to be reported shall be in accordance to prevailing Bank Indonesia regulation concerning commercial bank monthly report.

Letter c

The meaning of “government owned third party funds” shall be demand deposit, savings deposit, and time deposit owned by the central government and provincial and district/municipal government whose budgets are part of the State Budget (APBN) or the Regional Budget (APBD).

Letter d ...

Letter d

The meaning of “maturity profile” shall be a description of items in the assets side and in the liabilities and owner’s equity side of the balance sheet which will reach their maturity according to their contracts or other assumptions as referred to in prevailing Bank Indonesia regulation concerning Commercial Bank Liquidity Monitoring.

Letter e

The meaning of “legal lending limit” shall be the maximum percentage of fund provision allowed compared to the Bank’s capital as referred to in prevailing Bank Indonesia regulation concerning commercial bank legal lending limit.

Letter f

The meaning of “loan restructuring” shall be improvement efforts taken by the Bank in the context of lending activity for debtors who face difficulties in fulfilling their obligations as referred to in prevailing Bank Indonesia regulation concerning commercial bank asset quality evaluation.

Letter g

The meaning of “minimum capital requirement after calculating market risk” shall be the minimum capital requirement after calculating the risk of balance sheet, off balance sheet, and derivative transactions losses due to overall changes in market condition, including the risk of changes in option price as referred to in prevailing Bank Indonesia regulation concerning commercial bank minimum capital adequacy requirement after calculating market risk.

Letter h

The meaning of “core depositors” shall be 10 (ten), 25 (twenty five), or 50 (fifty) biggest demand deposit, savings deposit, and time deposit depositors according to the Bank’s total assets as referred to in prevailing Bank Indonesia regulation concerning commercial bank soundness rating system.

The meaning of “core debtors” shall be 10 (ten), 15 (fifteen), or 25 (twenty five) core debtors other than affiliated parties according to the Bank’s total assets as referred to in prevailing Bank Indonesia regulation concerning commercial bank soundness rating system.

Letter i

The meaning of “sensitivity to market risk” shall be the sensitivity level to market risk caused by exchange rate risk and interest rate risk as referred to in prevailing Bank Indonesia regulation concerning commercial bank soundness rating system.

Paragraph (4)

Letter a

The meaning of “third party funds” shall be Third Party Funds in rupiah and foreign currencies as referred to in prevailing Bank Indonesia regulation concerning minimum reserves requirement in rupiah and foreign currencies for commercial banks which conduct business activities based on syariah principles at Bank Indonesia.

Letter b...

Letter b

The meaning of "weekly balance sheets item" shall be the balance sheets prepared weekly according to balance sheets item details as referred to in prevailing Bank Indonesia regulation concerning syariah commercial bank monthly report.

Letter c

The meaning of "government owned third party funds" shall be wadiah deposits and unrestricted investments owned by the central government and the provincial and district/municipal governments.

Letter d

The meaning of "maturity profile" shall be a description of items in the assets side and in the liabilities and owner's equity side of the balance sheet which will reach their maturity according to their contracts or other assumptions as referred to in prevailing Bank Indonesia regulation concerning Commercial Bank Liquidity Monitoring.

Letter e

The meaning of "legal lending limit" shall be the maximum percentage of fund provision allowed compared to the Bank's capital as referred to in prevailing Bank Indonesia regulation concerning commercial bank legal lending limit.

Letter f

The meaning of "mudharabah investment time deposit" shall be the transaction value position of mudharabah investment time deposit as recorded on the report date and presented by time period.

Letter g ...

Letter g

The meaning of "financing restructuring" shall be the improvement efforts pursued by the bank in the context of financing activities, receivables, and or ijarah for debtors who face difficulties in fulfilling their obligations

Letter h

The meaning of "core depositors and debtors" shall be 25 biggest depositors/investors and debtors/groups other than affiliated parties of the concerned bank.

Letter i

The meaning of "sensitivity to market risk" shall be the level of sensitivity to market risk caused by exchange rate risk.

Paragraph (5)

Letter a

The meaning of "third party funds" shall be Third Party Funds in rupiah and foreign currencies as referred to in prevailing Bank Indonesia regulation concerning minimum reserves requirement in rupiah and foreign currencies for commercial banks which conduct business activities based on syariah principles at Bank Indonesia.

Letter b

The meaning of "weekly balance sheet items" shall be the balance sheet prepared weekly according to balance sheet item details as referred to in prevailing Bank Indonesia regulation concerning syariah commercial bank monthly report .

Letter c ...

Letter c

The meaning of "government owned third party funds" shall be wadiah deposits and unrestricted investments owned by the central government and provincial and district/municipal governments.

Letter d

The meaning of "maturity profile" shall be a description of items in the assets side and in the liabilities and owner's equity side of the balance sheet which will reach their maturity according to their contracts or other assumptions as referred to in prevailing Bank Indonesia regulation concerning Commercial Bank Liquidity Monitoring.

Letter e

The meaning of "mudharabah investment time deposit" shall be the transaction value position of mudharabah investment time deposit as recorded on the report date and presented by time period.

Letter f

The meaning of "financing restructuring" shall be the improvement efforts pursued by the bank in the context of financing activities, receivables, and or ijarah for debtors who face difficulties in fulfilling their obligations.

Letter g

The meaning of "core depositors and debtors" shall be 25 biggest depositors/investors and debtors/groups other than affiliated parties of the concerned bank.

Article 3

Paragraph (1)

Self explanatory.

Paragraph (2)

The meaning of “officer” shall be an employee who understands, masters, and operates the reporting system.

The meaning of “person in charge” shall be an official who has the power to give an authorization concerning the legitimacy and accuracy of submitted data.

Paragraph (3)

Self explanatory.

Paragraph (4)

The meaning of Bank management shall be the Bank’s board of directors, the Bank’s board of commissioners, and or the head of a Foreign Bank Branch Office.

Paragraph (5)

Self explanatory.

Paragraph (6)

Self explanatory.

Article 4

Self explanatory.

Article 5

Self explanatory.

Article 6...

Article 6

Self explanatory.

Article 7

The report position for end of month date at the end of each quarter shall be the data for end of March, June, September, and December positions.

Article 8

Self explanatory.

Article 9

Letter a

Self explanatory.

Letter b

Self explanatory.

Letter c

Number 1

Self explanatory.

Number 2

Self explanatory.

Number 3

Self explanatory.

Number 4

Self explanatory.

Number 5 ...

Number 5

Self explanatory.

Number 6

The data shall consist of data concerning sensitivity to market risk - interest rates and sensitivity to market risk -exchange rates.

The report shall only be submitted for submission period III in January, April, July, and October each year.

Letter d

Self explanatory.

Article 10

Letter a

Self explanatory.

Letter b

Self explanatory.

Letter c

Number 1

Self explanatory.

Number 2

Self explanatory.

Number 3

Self explanatory.

Number 4

Self explanatory.

Number 5

The data shall consist of data concerning sensitivity to market risk - exchange rates.

The report shall only be submitted for submission period III in January, April, July, and October each year.

Letter d

Self explanatory.

Article 11

Self explanatory.

Article 12

As an example,

Bank submits LBBU - third week reporting period - on 18 September 2006, and later on 20 September 2006, a mistake in the submitted LBBU is discovered.

Submission period for LBBU - third week reporting period - and its correction shall start from 16 until 21 September 2006.

In this case, the Bank must submit a correction for the mistake no later than 21 September 2006.

LBBU mistakes could be discovered by, among others, the concerned Bank, Bank Indonesia, and or a public accountant.

Article 13

The meaning of holiday shall be a national holiday and or a local holiday as determined by the local government.

In the event of several consecutive general holidays including special holiday, the submission of LBBU and or LBBU correction shall be further notified by Bank Indonesia.

Article 14

Self explanatory.

Article 15

Self explanatory.

Article 16

Paragraph (1)

Self explanatory.

Paragraph (2)

Letter a

Self explanatory.

Letter b

The time limit for UUS shall be 2 (two) months after the first syariah branch office or syariah unit commences operational activities.

Letter c ...

Letter c

The meaning of a technical disturbance shall be an event that prevented the Bank and UUS from submitting LBBU and or LBBU correction on line, such as a disturbance in the telecommunication network, a disturbance in the system at the Bank and Bank Indonesia, fire in the building, and or electricity shutdown.

Paragraph (3)

Self explanatory.

Paragraph (4)

Self explanatory.

Article 17

Self explanatory.

Article 18

Self explanatory.

Article 19

Paragraph (1)

The meaning of a *force majeure* shall be an event that without doubt had prevented the concerned Bank and UUS from formulating and submitting LBBU and or LBBU correction, such as an earthquake, flood, riot, and war, and such event must be acknowledged by an authority or official from a relevant institution in the concerned area.

Paragraph (2) ...

Paragraph (2)

Self explanatory.

Paragraph (3)

Self explanatory.

Paragraph (4)

Self explanatory.

Paragraph (5)

Self explanatory.

Article 20

Paragraph (1)

Self explanatory.

Paragraph (2)

Self explanatory.

Paragraph (3)

Self explanatory.

Paragraph (4)

The meaning of “for each report” shall be LBBU which consists of several reports in accordance to the LBBU submission period.

The meaning of “for each corrected item” shall be data correction for each data field.

Submission of LBBU correction shall be done at the Bank’s initiative.

Example: ...

Example:

Bank A submits a correction for Form 8 - Report on Restructured Loans for February 2006 position on 3 April 2006. The correction made is concerning debtor X's data, i.e. collateral value, interest rate, and interest arrears.

The payment obligation sanction charged to Bank A shall be 3 (three) items x Rp 50,000.00 (fifty thousand rupiahs) = Rp 150,000.00 (one hundred and fifty thousand rupiahs).

Paragraph (5)

Self explanatory.

Paragraph (6)

Self explanatory.

Article 21

Self explanatory.

Article 22

Self explanatory.

Article 23

Self explanatory.

Article 24

Self explanatory.

Article 25

Self explanatory.

Article 26

Self explanatory.

Article 27

Self explanatory.

Article 28

Self explanatory.

Article 29

Self explanatory.